



# WAYS AND MEANS

## **H.R. 6690 – *Fighting Fraud to Protect Care for Seniors Act of 2018***

### **Summary**

H.R. 6690, the *Fighting Fraud to Protect Care for Seniors Act of 2018*, establishes a three-year pilot program to test the use of smart card technology in the Medicare program.

### **Background**

The Government Accountability Office (GAO) has designated the Medicare program as high-risk for waste, fraud, and abuse. One type of fraud scheme in Medicare occurs when a federal health care program is billed by a third party (whether a legitimate provider or not) using a beneficiary's or provider's identification without the beneficiary's or provider's knowledge. Experience in the financial services sector has shown that smart card technology can help to combat credit card fraud. As such, vendors of smart card technology have suggested that one way to help limit this type of fraud in the Medicare program would be to use smart card technology – credit card-like devices that use integrated circuit chips to store and process data – to authenticate the beneficiary at the point of service. In 2016, the GAO performed an analysis of 739 health care fraud cases and found that the use of smart cards could have affected about 22 cases, which included schemes that involved the lack of verification of the beneficiary or provider at the point of service.<sup>1</sup>

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<sup>1</sup> <https://www.gao.gov/assets/680/674771.pdf>